https://www.financial-planning.com/list/the-best-and-worst-performing-energy-etfs-of-the-decade

**The best- and worst-performing energy ETFs of the decade**
By Rob Burgess
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Overall, energy ETFs have failed to match the return of the broad-based S&P 500 index over the past decade.

The S&P 500 has had a total return of almost 250% in the last 10 years, according to data from YCharts, while the S&P Energy Sector SPDR ETF (XLE) has returned just north of 70%.

The disparity is even greater for clean energy ETFs: Invesco's Solar ETF (TAN), for instance, returned 16% from 2014 to 2024, while iShares Global Clean Energy ETF (ICLN) returned around 50%.

"With any type of thematic investment, I caution people to avoid investing in a story because the investment return one sees may not live up to the hype of an industry," said David Rath, partner and chief investment officer at Continuum Wealth Advisors in Saratoga Springs, New York.

For example, ICLN has had a negative 60% return since 2020 when President Joe Biden's green-energy-friendly administration took office.

"One could be completely correct about policies and real-world implementation but suffer losses on the bottom line," said Rath. "Looking ahead to a new administration, the temptation could be to focus on energy-related investments, but I need only to point to the performance of the clean energy ETFs in the past four years as a warning."

Energy ETFs are more fundamentally based, said Jason DeLorenzo, owner and principal for Ad Deum Funds in Chantilly, Virginia.

"Geopolitical tensions and regulations can impact the energy space more than anything flow-based," he said.

Energy ETFs also represent a lot of different energy sources, said DeLorenzo. United States Oil Fund LP (USO) is for oil, United States Natural Gas Fund LP (UNG) is for natural gas, SPDR S&P Oil & Gas Exploration & Production ETF (XOP) is oil exploration, Enphase Energy (ENPH) focuses on solar energy and Energy Select Sector SPDR Fund (XLE) represents a lot of energy.

"There is also coal and wind power," he said. "Energy is also a real asset, so worldwide inflationary pressures can help raise the price of energy like any commodity. These are the dynamics to watch for."

Energy investments will be volatile individually, but in many cases the aggregate can be a solid investment, said DeLorenzo.

"If investing in energy, I would diversify with multiple energy sources and logistics," he said. "Make sure exploration, tankers and pipelines are represented. Make sure oil, natural gas, solar, coal and nuclear are taken into account."

DeLorenzo said many energy stocks pay high dividends as well to try to take the sting out of volatile prices, "so ultimately the key to a good energy investment is lower volatility and higher dividends.

"Do not expect capital gains to be the primary source of income for your energy investment," he said.

Going into 2025, geopolitical tensions could raise the demand for oil, but the possibility of the incoming administration of President-elect Donald Trump lifting regulation on oil exploration could increase supply as well, said DeLorenzo.

"As a result, I'd be cautious trying to predict the price of energy sources, but be bullish on XOP since the Trump administration will be lifting regulations to gain market share in the oil space," he said.

Scroll down the slideshow below for the nine best-performing and nine worst-performing energy-related ETFs domiciled in the U.S. over the past decade, based on their 10-year annualized total returns through the end of November.

*Note: All data is from Morningstar Direct and is current as of Dec. 5, 2024.*

# Nine Worst-Performing Equity Energy Funds of the Decade

## 9 Invesco Energy Exploration & Prod ETF (PXE)

| | |
|---|---|
| Fund size | **$109.58 million** |
| Expense ratio | **0.63** |
| 1-year return | **5.91%** |
| 10-year annualized return | **4.31%** |

## 8 Invesco S&P 500 Equal Weight Energy ETF (RYE)

| | |
|---|---|
| Fund size | **$532.43 million** |
| Expense ratio | **0.40** |
| 1-year return | **16.29%** |
| 10-year annualized return | **4.61%** |

## 7 iShares US Energy ETF (IYE)

iShares by BlackRock

| | |
|---|---|
| Fund size | **$1.32 billion** |
| Expense ratio | **0.39** |
| 1-year return | **16.76%** |
| 10-year annualized return | **4.73%** |

## 6 iShares Global Energy ETF (IXC)

iShares by BlackRock

| | |
|---|---|
| Fund size | **$2.15 billion** |
| Expense ratio | **0.41** |
| 1-year return | **10.45%** |
| 10-year annualized return | **5.13%** |

# 5 iShares MSCI Global Energy Producers ETF (FILL)

iShares by BlackRock

| | |
|---|---|
| Fund size | **$90.18 million** |
| Expense ratio | **0.39** |
| 1-year return | **6.72%** |
| 10-year annualized return | **5.15%** |

# 4 Fidelity MSCI Energy ETF (FENY)

Fidelity INVESTMENTS

| | |
|---|---|
| Fund size | **$1.59 billion** |
| Expense ratio | **0.08** |
| 1-year return | **16.98%** |
| 10-year annualized return | **5.17%** |

## 3 Vanguard Energy ETF (VDE)

Vanguard®

| | |
|---|---|
| Fund size | **$10.26 billion** |
| Expense ratio | **0.10** |
| 1-year return | **16.90%** |
| 10-year annualized return | **5.33%** |

## 2 iShares US Oil & Gas Explor & Prod ETF (IEO)

iShares® by BlackRock

| | |
|---|---|
| Fund size | **$615.17 million** |
| Expense ratio | **0.40** |
| 1-year return | **8.74%** |
| 10-year annualized return | **5.68%** |

# 1 The Energy Select Sector SPDR ETF (XLE)

| | |
|---|---|
| Fund size | **$36.50 billion** |
| Expense ratio | **0.09** |
| 1-year return | **16.73%** |
| 10-year annualized return | **5.99%** |

## Nine Worst-Performing Equity Energy Funds of the Decade

## 9 Invesco Dorsey Wright Energy Momentum ETF (PXI)

| | |
|---|---|
| Fund size | $70.39 million |
| Expense ratio | 0.60 |
| 1-year return | 17.46% |
| 10-year annualized return | 2.64% |

## 8 First Trust Energy AlphaDEX ETF (FXN)

| | |
|---|---|
| Fund size | $408.40 million |
| Expense ratio | 0.61 |
| 1-year return | 7.63% |
| 10-year annualized return | 0.32% |

# 7 SPDR S&P Oil & Gas Explor & Prodtn ETF (XOP)

| | |
|---|---|
| Fund size | **$2.58 billion** |
| Expense ratio | **0.35** |
| 1-year return | **8.00%** |
| 10-year annualized return | **-1.59%** |

# 6 First Trust Natural Gas ETF (FCG)

| | |
|---|---|
| Fund size | **$421.16 million** |
| Expense ratio | **0.60** |
| 1-year return | **8.57%** |
| 10-year annualized return | **-5.92%** |

## 5 iShares US Oil Equipment & Services ETF (IEZ)

iShares by BlackRock

| | |
|---|---|
| Fund size | $160.99 million |
| Expense ratio | 0.40 |
| 1-year return | 1.75% |
| 10-year annualized return | -6.68% |

## 4 VanEck Oil Services ETF (OIH)

VanEck®

| | |
|---|---|
| Fund size | $1.71 billion |
| Expense ratio | 0.35 |
| 1-year return | -1.68% |
| 10-year annualized return | -7.18% |

## 3 Invesco Oil & Gas Services ETF (PXJ)

| | |
|---|---|
| Fund size | **$43.39 million** |
| Expense ratio | **0.66** |
| 1-year return | **9.19%** |
| 10-year annualized return | **-8.79%** |

## 2 Invesco S&P SmallCap Energy ETF (PSCE)

| | |
|---|---|
| Fund size | **$106.89 million** |
| Expense ratio | **0.29** |
| 1-year return | **3.82%** |
| 10-year annualized return | **-9.21%** |

# 1 The Energy Select Sector SPDR ETF (XLE)

| | |
|---|---|
| Fund size | **$36.50 billion** |
| Expense ratio | **0.09** |
| 1-year return | **16.73%** |
| 10-year annualized return | **5.99%** |